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Brazil's Elections: A Political Test

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An Intelligence Memorandum

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Brazil's Elections: A Political Test

Summary

Information available as of 26 October 1982 was used in this report.

The 15 November national elections for all major offices except the presidency represent a major test for political liberalization—*abertura*—in Brazil. The contest will indicate clearly whether the country is moving toward restoration of civilian government or facing a prolongation of military rule. Available evidence points to a substantial decline in the present administration's political strength. We project about a 45-percent share of the total vote going to the government party. This would, under present laws, place its control of the 1985 presidential selection process in jeopardy.

President Figueiredo and the military appear prepared to deal with such an outcome without resort to extralegal measures. We believe that they have come to a grudging recognition that efforts to manipulate electoral rules to the government party's advantage have fallen short of ensuring the desired results. Recent administration actions indicate that government leaders are now focusing on a fallback strategy for 1983-84. It centers on retaining sufficient control over the political process—probably through further rules changes or accommodations with political leaders—to ensure that an acceptable regime-backed presidential candidate is chosen in 1985. In our view, this remains the critical concern of the regime.

We believe that during the next two to three years, moderate opposition leaders probably will be inclined to accept compromises with Figueiredo on major policy questions. Their disparate makeup and disunity will impede cohesive political opposition. Their goal will likely be to avoid undermining *abertura* and jeopardizing their own prospects for eventual control over the government.

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Brazil's Elections: A Political Test

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Introduction

The nationwide elections of 15 November, the most important political event in Brazil since the March 1964 revolution brought the military to power, will shape the immediate future of *abertura*, the gradual and controlled process of political liberalization in train since the mid-1970s. The outcome of the elections and the regime's reactions to it also will provide significant indicators of the longer term issue at stake in the presidential succession in 1985 and beyond: whether the regime, and especially the military, will accept the eventual transfer of power to a civilian opposition not identified with the conservative principles of the 1964 revolution.

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Because of the pivotal importance of the November elections, this paper looks at the *abertura* process and evaluates the regime's efforts to regulate that process. It also projects the likely election outcome and the government's response to it.

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The Political Opening

President Joao Figueiredo

The Basis for Change

Abertura was set in motion in the mid-1970s but received its major impulse under President Joao Figueiredo, the fifth army general to rule since 1964. Figueiredo has made it a central political plank of his administration since he assumed office in 1979. In numerous public statements, administrative actions, and legislative initiatives, Figueiredo has consistently supported liberalization. His steadfast commitment to holding the November 1982 elections on schedule has helped foster a widespread impression that the liberalization process had acquired a life of its own even if its pace was still subject to the military's discretion.

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Two major factors have contributed to the military's support for Figueiredo's willingness to put his administration to test with the voters. First, 25X1
many officers have become increasingly receptive to the idea of returning to a more purely military role, particularly as they sensed growing public apprehension over their ability to govern a complex and rapidly modernizing state. This was particularly evident with regard to economic policymaking in the second half of the 1970s and early 1980s, when the effects of international oil crises and high interest rates made it increasingly difficult to sustain rapid growth and to manage the country's massive foreign debt.

as the military's sense of frustration grew, so did their wish to transfer to civilians full responsibility for managing the

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economy. They also seek to avoid the blame for the generally perceived government failure, as reflected in numerous recent public opinion polls, to improve living standards significantly since 1964 for the majority of Brazilians. ranking military officers have increasingly realized that their credibility has suffered in recent years and that, should they seek to perpetuate themselves in power, intensified popular hostility could undermine military unity

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According to the US Embassy and defense attache, most military officers now publicly acknowledge that they must ultimately return to the barracks, get out of the political line of fire, and allow "acceptable" civilians once again to run the country. Although there always has been a hardline group within the military that has strongly opposed restoring power to civilians, in recent years its numbers have dwindled. it is, nonetheless, a still influential minority.

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Timing

US Embassy and press reporting make clear that regime spokesmen have deliberately avoided a precise definition of *abertura* and the timetable for its implementation. This reflects a widely held view within the military, that the manner and pace for eventually relinquishing control are to be determined exclusively by the high command and the president. The military insists that the changeover should be carefully managed in order to avoid damage to the armed forces' image as saviors of the nation from chaos in 1964. Moreover, senior officers have stated that even after leaving the government the military will continue closely to monitor the civilian political process.

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Figueiredo appears to take the views of the high command into account in shaping his policies. Despite his emergence as a forceful chief executive with considerable authority, Figueiredo consults regularly with senior officers. According to US defense attache reports, he considers himself a president who governs in consultation with and ultimately subject to the general oversight of the military leadership.

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Because the pace and nature of the return to civilian rule are the military's chief concerns, Figueiredo has taken a number of steps during his administration to guide—and, most recently, to slow—the process. These efforts have made the process and pace of *abertura* the dramatic focus of the election contest and the overriding issue for all political actors.

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The Evolving Political Scene

Political Parties

In 1979 the executive mandated a political reorganization to replace a two-party system. Ostensibly, this was done as part of *abertura* to demonstrate the regime's willingness to permit a wider spectrum of parties to function. We agree with the US Embassy, however, that the primary motivation was concern over the post-1964 growth in voter appeal of the single opposition party, which by the late 1970s threatened to eclipse the government party in elected representation. 25X1

By reorganizing the ruling government party into the Social Democratic Party (PDS) and encouraging the creation of several other parties, the administration openly acknowledged that it hoped to dilute the opposition vote. This, it hoped, would enable the PDS to maintain its current majorities in Congress—a comfortable margin in the Senate and a narrow lead in the Chamber of Deputies. 25X1

By 1981, although five opposition parties had met formal registration requirements, none approached the national organizational strength of the PDS, and all lacked a solid ideological basis beyond a general opposition to the regime. The two largest, the Party of the Brazilian Democratic Movement (PMDB) and the Popular Party (PP), were created by older political figures who had consistently opposed close ties with the regime. Two of the other three parties—all much smaller—are more or less personalistic vehicles for pre-1964 politicians. The remaining party, the Labor Party (PT), is built around an aspiring and charismatic young labor leader, but one whose political base is still narrow. 25X1

Despite these difficulties, however, several factors have been operating in the opposition parties' favor. In a country with 54 million voters, the bulk of whom fall in the 18- to 35-age group, the elections clearly will be determined largely by those with no previous electoral experience. Indeed, public opinion polls have shown that this younger age group harbors particularly strong dissatisfaction with the government and believes that civilians can govern better than the military. Polling indicates that this has translated into rapid growth for opposition parties, especially in the large urban centers and the more developed states, if not the country at large. 25X1

More important, the initial failure of the opposition groups to promote any kind of cohesion among them was overcome in early 1982 in a backlash against Figueiredo's modifications of the electoral law. The two largest opposition parties merged, retaining the name of the larger PMDB. The resulting party is now as strong—in terms of our projections of national voter support—as the PDS. 25X1

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Interest Groups

Almost all important special interests favor reestablishment of a more open, civilian, political system in Brazil. Certainly the Church, organized labor, and the media have long publicly opposed the military regime, and all welcomed Figueiredo's early endorsement of liberalization. Moreover, they have strongly criticized efforts to blunt or slow the process.

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According to the US Embassy, there is increased unrest among organized labor, although its support for specific political parties and leaders is not yet significant. Finally, most news media actively support opposition candidates and criticize the Figueiredo regime.

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Other interest groups are not as influential. There is strong individual support for *abertura* within the business community and the bureaucracy, according to US Embassy sources, but antiregime sentiment is not widespread in either group. University students and Communist and radical leftist groups are, of course, vociferous critics of the regime, but their political influence relative to the regime continues to be, in our view, limited.

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No one of these individual interest groups has substantial leverage on the regime, yet all generally consciously avoid needless provocation so as not to provide a pretext either for derailing *abertura* or for government repression of leftist organizations. Nevertheless, according to the US Embassy, their collective influence is being taken into account by the government as it weighs the electoral prospects of the PDS and conducts its preelection political maneuvers.

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Figueiredo's Electoral Gimmickry

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According to the US Embassy, Figueiredo and key advisers concluded that something had to be done to redress the situation. In November 1981 Figueiredo surprised the nation with sweeping electoral law modifications—forced through the Congress—that were designed to increase the likelihood of government victories in this November's elections, as well as to stack the presidential electoral college in preparation for that contest in

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1985. The key measure called for straight ticket voting by party for all offices, which the government thought would be in its favor because of its generally strong local organizations. 25X1

While the immediate effect of Figueiredo's maneuver was to tarnish his credibility as defender of *abertura*, a more serious consequence was the rapid formation of political battle lines and a sudden escalation of election campaign rhetoric and recrimination. Media commentary and statements by politicians indicate that Figueiredo's action deepened their cynicism regarding politics and the sincerity of his—and the military's—intention to return to a genuinely open political system. Moreover, the opposition, as noted, was impelled by Figueiredo's moves to overcome its divisions and to form the strong PMDB party. 25X1

In recent months the administration has taken new steps to offset the major gains 25X1 made by the opposition. In late June the executive forced through the legislature a series of constitutional changes designed further to increase the PDS percentage of presidential electoral college votes and otherwise shore up the regime's political position after the elections.[1] In particular, the administration was intent on forestalling opposition-led congressional efforts to convoke a constituent assembly in order to remove the authoritarian features put into the Constitution since 1964, or to provide for direct presidential elections in 1985. 25X1

Other Election Issues

Even though there is open and general public unhappiness with the state of the economy and Brasilia is struggling to avoid a financing crisis, these concerns have not become burning campaign issues.[2] The current recession has clearly been detrimental to the government's electoral prospects, but US Embassy reporting and media commentaries all indicate that economic and social themes do not loom as large as political issues—particularly *abertura*—in the voters' minds. 25X1

In recent months, nonetheless, calls for social justice and for improved economic well-being have been voiced not only by the opposition but also by PDS representatives. In addition, the government has endeavored to 25X1

[1] The numerous electoral modifications introduced by Figueiredo raise the possibility of an alltime high number of nullified ballots that could force rescheduling elections in several areas. The government will probably turn this to advantage, but widespread rescheduling might begin to radicalize the opposition.

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buttress PDS fortunes through such traditional devices as pork-barrel spending and expanded social programs. The opposition, aided by the media, has responded with attacks on this misuse of the taxpayers' money at a time of economic austerity. 25X1

Likely Election Outcomes and Adaptations

Polling results show the government holding its own in outlying rural areas, especially most of the states in the northeast. Conversely, in major metropolitan areas like Rio and Sao Paulo, where the youthful vote will be the largest and special interest groups are the strongest, the administration faces likely defeats. 25X1

A modest but clear-cut victory by the government would exceed its expectations and enable it to maintain control without problems. Far more likely, however, the opposition will win a majority of the national vote. 25X1 Individual state and congressional results will be uneven but on the whole will contain clear opposition gains. We believe the administration expects such an electoral outcome and is prepared to deal with it within legal bounds. 25X1

Coping With Opposition Gains

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If, as we expect, the opposition polls a majority of the national vote, this should translate into strong majorities in the Chamber of Deputies and state legislatures in several key states. Our analysis indicates the government still stands a reasonable chance of holding onto a majority of the 23 gubernatorial posts, but it will probably lose in Sao Paulo and Rio and other major urban centers responsible for 85 percent of Brazil's national output. 25X1 25X1

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Even though this result would be a mixture of victory and defeat for both sides, it would probably leave the administration in clear control of slightly less than half of the prospective presidential electoral college in 1985. Military hardliners will probably urge Figueiredo to set aside or otherwise modify this electoral outcome. We believe, however, that the regime will not take this step, at least in part because Figueiredo and other key officials—including a number of military leaders—have publicly committed themselves to honoring the results, and have drawn a distinction between themselves and other Latin American military regimes. 25X1

We believe that the government will perceive sufficient room for accommodation and maneuver with the national legislature despite an opposition majority in the lower house. Additional pressure on key governors and local leaders would be employed, in our view, to keep the states in line. For example, the military appears willing to tolerate a victory even in the case of Leonel Brizola—leftist brother-in-law of President Goulart whom the military ousted in 1964—who now leads in the polls for the key Rio gubernatorial race. Senior military officers have told the US defense attache that Brizola's need to obtain financial assistance for Rio from Brasilia should prevent him from becoming a major disruptive element. 25X1 25X1

The Risk of an Opposition Sweep

In the event of a massive opposition victory—which we believe unlikely—Figueiredo would, in our view, come under pressure from within the regime not just to tinker with but to nullify the results. We doubt, however, that any sector of the regime besides diehard hardliners is prepared to risk this course of action. 25X1

A dramatic reversal of direction after almost four years of commitment to *abertura* would, we believe, precipitate a major political crisis. The administration and most of the body politic would be dramatically polarized, and divisions could occur within the military. There might arise a real prospect for violent confrontations between the regime and the political opposition, convinced it never would be permitted to displace the military by ballot. 25X1

We believe, therefore, that Figueiredo and the high command would avoid any quick recourse to authoritarian controls. Instead, they would utilize existing executive authority vis-a-vis the Congress and the states and some intimidating tactics—such as threats to cut funding and harassment by the

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security services—to avoid opposition control over the presidential succession in 1985. At the same time, they would still publicly support an eventual, phased transfer of power from military to civilian hands.

Central to this scenario is the judgment that this strategy would be supported by the moderate majority of the armed forces. Also intrinsic to our judgment is its acceptance—albeit with vigorous criticism—by an opposition victorious at the polls but not yet cohesive enough to obstruct administration manipulation 25X1

Should this judgment prove incorrect and the views of the moderate majority not prevail—which, as noted, we believe to be unlikely—there would be a serious split within the military and ensuing political turmoil. The hardliners would seek to outmaneuver the moderates, including the high command, whose basic objective is to return ultimately to the barracks. Such a split could threaten the viability of the Figueiredo regime itself. Outside the government, virtually all sectors would press vigorously for continued progress toward liberalization. 25X1

Implications for the United States

How well Brazil addresses basic political issues in the next two to three years will have significant implications for its international image. Unless the Figueiredo government sets aside the election results, there will be a general perception in Brazil that the country has achieved greater political maturity. This outcome will have favorable connotations for Brazil internationally, particularly in South America, where Figueiredo's *abertura* policies have been observed closely. 25X1

These questions of confidence and stature carry over into the relationship with the United States. We believe that Brazil's sense of growing political maturity and prospects for greater international prestige should contribute over time to a somewhat more relaxed attitude toward the bilateral relationship. In fact, relations with the United States have improved significantly since their low point in the late 1970s, even though important areas of disagreement persist, particularly in the economic arena. 25X1

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Major opposition gains on 15 November, however, could make bilateral relations more difficult. The opposition could call for more nationalistic and populist positions on economic issues. Even heightened internal debate could result in government posturing on international economic issues—such as global negotiations, developed country trade protectionism, and high interest rates—to appease domestic critics. This would, in turn, complicate relations with the international banking community and with the United States.[4] Thus, banks would probably be increasingly leery about expanding their loan portfolios to Brazil, foreign investors would become more hesitant, and discussions of numerous bilateral economic issues with the US—for instance, on countervailing duties and graduation—would become more contentious.

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